Banks has been announced on 22.02.2005. These autonomy measures *inter alia* include the following:—

(i) Pursue new lines of business as part of overall business strategy.

(ii) Make suitable acquisition of companies or business, close/merge unviable branches, open overseas offices, set up subsidiaries and exit a line of business.

(iii) Decide all human resource issues relating to the bank, including staffing pattern, recruitment, placement, transfer, training, promotions, etc.

(iv) Prescribe standards for categorization of branches, based on volume of business and other relevant factors.

(v) Prescribe essential academic qualifications, minimum qualification standards and modalities of promotion/recruitment to various categories.

(vi) Undertake visits to foreign countries to interact with investors, depositors and other stakeholders.

(vii) Lay down policy of accountability and responsibility of bank officials and take action against erring bank officials in conformity with such policy. The policy framework should provide for stringent punishment for all malafide actions but, at the same time, recognize that *bona fide* errors do occur while making decisions relating to commercial judgment.

(c) Yes, Sir.

(d) Banks have been granted autonomy to decide remuneration to officers and staff to attract best talent for their organizations.

New bank's branches in Nagaland

2230. SHRI T.R. ZELIANG: Will the Minister of FINANCE be pleased to state:

(a) the number of new branches of nationalized banks proposed to be set up in rural areas of Nagaland during the years 2004-05 and 2005-06; and

(b) the details of steps being taken by Government in this direction?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) The Reserve Bank of India (RBI) has reported that as per its extant branch expansion policy, it is left to the judgment of the individual Public Sector Banks to assess the need for opening additional branches. RBI has no information about new bank branches proposed to be opened by the nationalized banks in Nagaland during the years 2004-05 and 2005-06.

(b) The current policy guidelines of the RBI lay stress on the necessity of opening of new branches of Commercial Banks in hilly and tribal areas including North-Eastern(NE) States, having regard to the peculiar topography in the hilly/tribal areas and sparsely populated regions.

Representation of farmers in pre-budget discussions

2231. SHRI K. CHANDRAN PILLAI: Will the Minister of FINANCE be pleased to state:

(a) whether he has called the farmers organization for the pre-budget discussions;

(b) if so, who are these organizations, what are their strength and credentials; and

(c) if not, why the representatives of 70 per cent of population are left out from the pre-budget discusssion?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) The Finance Minister met eminent agricultural scientists and experts, representatives of co-operative banks, agricultural commodity organisations and chairperson of the National Bank for Agriculture and Rural Development (NABARD) for pre-budget consultations on 11th January, 2005.

(c) The interests of the agriculturists and farmers were adequately represented in the pre-budget discussions.